

MINUTES OF THE THIRD MEETING OF THE COMMITTEE OF CREDITORS OF CHD DEVELOPERS LIMITED HELD ON FRIDAY, 12TH JANUARY, 2024 AT 04:00 PM (INDIAN TIME ZONE) AT 10TH FLOOR, HT HOUSE, KASTURBA GANDHI MARG, NEW DELHI-110001 AND CONCLUDED AT 05:02 P.M.

PARTICIPANTS:

A. RESOLUTION PROFESSIONAL

Sr. No.	Name	Mode of Presence
1.	Mr. Rajesh Kumar Parakh, Resolution Professional	Physical

B. MEMBERS OF COMMITTEE OF CREDITORS-FINANCIAL CREDITORS

Sr. No.	Name of Financial Creditor	Represented By	Mode of Presence	Remarks
1.	J.C. Flowers Asset Reconstruction Private Limited	Mr. Amandeep Singh Bajaj	Virtual Mode	Aerocity Office, New Delhi
2.	Edelweiss Asset Reconstruction Company Limited	Ms. Khushboo Sikhwal	Virtual Mode	Mumbai Office
3.	Axis Bank Limited	Ms. Sonam Malik Mr. Subhodeep Mukherjee	Virtual Mode	Noida Office
4.	Reliance Home Finance Limited	Mr. Deepak Kumar Saini	Virtual Mode	Noida Office

C. MEMBERS OF COMMITTEE OF CREDITORS-FINANCIAL CREDITORS IN A CLASS

Sr. No.	Name of Financial Creditor in a class	Represented By	Mode of Presence
1.	Allottees in Real Estate Project, i.e., Home Buyers	Mr. Alok Chandra Singh, Authorised Representative	Physical
2.	Fixed Deposit Receipt Holders	Mr. Deepak Kumar Agarwal, Authorised Representative	Virtual (from Noida)

D. MEMBERS OF SUSPENDED BOARD OF DIRECTORS OF CHD DEVELOPS LIMITED

Sr. No.	Name of Suspended Board of Directors of CHD Developers Limited	Represented By	Mode of Presence
1.	Mr. Gaurav Mittal	Mr. Gaurav Mittal	Physical

E. TEAM MEMBERS OF RESOLUTION PROFESSIONAL

Sr. No.	Name	Mode of Presence
1.	Mr. Ahsan Ahmad, Legal Consultant	Physical
2.	Mr. Gurvinder Singh	Physical
3	Mr. Mohammad Khalid	Physical

F. MEMBERS OF RWA HOME BUYERS AS OBSERVER

Sr. No.	Name	Mode of Presence
1.	Mr. Savishesh Raj	Physical
2.	Mr. S.S. Bhati	Physical

INTRODUCTION BY RESOLUTION PROFESSIONAL

The proceedings of the Third meeting of the Committee of Creditors (“the meeting”) commenced at 04:00 PM. Thereafter, Mr. Rajesh Kumar Parakh, the Resolution Professional (‘RP’) introduced himself and his team members and announced the presence of the participants listed above. The IRP welcomed all the participants present at the Third meeting of the Committee of Creditors (“COC”) of CHD Developers Limited.

ITEM NO. 1

TO APPOINT THE CHAIRMAN OF THE MEETING

As per Regulation 24 (1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Resolution Professional shall act as the Chairperson of the meeting of the Committee of Creditors.

Mr. Rajesh Kumar Parakh, duly appointed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi as the Resolution Professional vide Order dated 12.12.2023 chaired the meetings of the Committee of Creditors of CHD Developers Limited.

ITEM NO. 2

QUORUM OF THE MEETING

As per Regulation 22 (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the quorum for the meeting of members of the committee shall be at least 33% of the voting rights, present either in person, or by videoconferencing or other audio-visual means.

As per Regulation 24(2) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016, Resolution Professional took roll call of all members and representatives attending the meeting (through video conferencing and/or physical mode).

Thereafter, the chairperson ascertained the voting rights of members of the COC who were present in the meeting physically and via Zoom call. Following members were present in the meeting:

Sr. No.	Name of Financial Creditor in a class	Represented By	Voting percentage
1.	Allottees in Real Estate Project	Mr. Alok Chandra Singh, Authorised Representative	73.03%
2.	Fixed Deposit Receipt Holders	Mr. Deepak Kumar Agarwal, Authorised Representative	01.13%
3.	J.C. Flowers Assets Reconstruction Private Limited	Mr. Amandeep Singh Bajaj	09.09%
4.	Edelweiss Asset Reconstruction Company Limited	Ms Khushboo Sikhwal	10.41%
5.	Axis Bank Limited	(1) Ms. Sonam Malik (2) Mr. Subhodeep Mukherjee	00.54%
6.	Reliance Home Finance Limited	Mr. Deepak Kumar Saini	03.98%

Hence, the Chairman declared that the meeting was quorate in accordance with aforementioned Regulation.

ITEM NO. 3

LEAVE OF ABSENCE TO MEMBERS, IF ANY

Bank of Baroda vide its email dated 11.01.2024 sought absence from participating in the meeting. Accordingly, leave of absence was granted to the Bank of Baroda, Financial Creditor of the Corporate Debtor.

ITEM NO. 4

TO TAKE NOTE OF THE MINUTES OF THE 2nd MEETING OF THE COMMITTEE OF CREDITORS HELD ON 22.11.2023

The Resolution Professional apprised the CoC Members that the 2nd meeting of the Committee of Creditors was held on 22.11.2023 and Minutes were circulated on 24.11.2023. Further, RP circulated result of e-voting on 05.12.2023. No objections/ modifications were raised by the CoC members on the Minutes of the 2nd COC Meeting, hence the same has been taken on record.

Thereafter, the COC Members took note of above.

ITEM NO. 5

TO TAKE NOTE OF THE ACTIONS TAKEN SO FAR BY THE RESOLUTION PROFESSIONAL (RP)

The Resolution Professional apprised the CoC Members that the Hon'ble Adjudicating Authority passed the Order dated 05.09.2022 regarding commencement of the Corporate Insolvency Resolution Process of the corporate debtor and appointed Mr. Rajesh Kumar Parakh as the Interim Resolution Professional (IRP) to carry out corporate insolvency resolution process of the corporate debtor. The Order dated 05.09.2022 was received by the IRP on 14.09.2022. The appointment of IRP as RP was confirmed by Committee of Creditors in its meeting held on 14.10.2023.

The Resolution Professional after his appointment by the Hon'ble National Company Law Tribunal, has taken the following actions:

I. Public Announcement

The IRP soon after receiving the order dated 05.09.2022 on 14.09.2022, made a public announcement on 15.09.2022 in the Newspapers namely Financial Express (English), Navbharat Times (Hindi) in Delhi NCR edition and The Tribune (English), Dainik Bhaskar (Hindi), Haryana, Punjab & Panipat edition, inviting claims from the creditors

of the corporate debtor. Also, the copy of Public Announcement was uploaded on the website of the Insolvency and Bankruptcy Board of India.

Further, it is also to be noted that the IRP/ RP had also sent intimations with regard to the commencement of CIRP proceedings against the Corporate Debtor in accordance with the provisions of the IBC Code, 2016 to various stakeholders and statutory authorities including Banks.

II. Personal Visit – Possession of Assets

The IRP along with his team members visited Registered Office at 1, Ground Floor, 19-20, G Block Radha Chambers, Community Centre, Vikaspuri, New Delhi 110018. He did not find any business activity at the said office. However, few books and accounts of the Corporate Debtor were there. The IRP took the possession of the same. Thereafter, the IRP along with his team members visited 5 project sites of the Corporate Debtor namely, CHD Vann (Sector 71, Gurugram), CHD Golf Avenue (Sector 106, Gurugram), CHD Resortico (Sector 34, Sohna Road, Gurugram), CHD City Karnal (Sector 45, Karnal), CHD Green Park Residencies (Sector 45, Karnal) for taking possession from the Suspended Board of Directors.

The Chairman further apprised the CoC members that IRP visited CHD Project in the name CHD Vann, located at Sector 71, Gurgaon-122001 Haryana on Thursday, 15.09.2022 to take the possession of Project- CHD Vann. However, IRP was declined to enter the premises of the project by the security personnel present at the project site. Further, IRP informed the security personnel that the Company i.e., CHD Developers Limited is now under CIRP and he has been appointed as IRP as per the Order of Hon`ble NCLT but still they did not co-operate and objected to entry in the project premises upon instruction of Mr. Surender Yadav (who claims to be the representative of Roots Developers Private Limited). The security personnel connected himself with a person named Mr. Surender Yadav and later on connected the undersigned with Mr. Surendra Yadav. During the course of conversation between the undersigned and Mr. Surender Yadav, Mr. Surendra Yadav allegedly claimed to be in the possession (on behalf of Roots Developers Private Limited) of the said premises.

Mr. Yadav further told the IRP not to come again at the project site as he allegedly claimed that the project site belongs to Roots Developers Private Limited, which is ultimately owned by Mr. Surendra Yadav and his family members as claimed by them. Please note that as per the documents & records including the Collaboration Agreement dated 30.12.2013 entered into by & between Roots Developers Private Limited & others and CHD Developers Limited, as provided by the suspended board of directors of the Corporate Debtor, the project CHD VANN is one of the Projects of CHD Developers Limited and therefore, the possession of the said project must be handed over to the IRP in terms of Section 18 of the IBC, 2016.

Later on, 29.09.2023, the IRP once again intimated Roots Developers Private Limited about his visit to the project site in order to take possession of the CHD Project on Tuesday, 03.10.2023 & requested for full cooperation in facilitating a peaceful and orderly handover of the Project/Asset of the Company from the management of Roots Developers. However, the IRP received an email dated 02.10.2023 stating that they have already cancelled the Collaboration Agreement dated 30.12.2013.

Further, the IRP once again intimated on 12.10.2023 via email to Roots Developers Private Limited about his visit to the project site in order to take possession of the CHD Project on Tuesday, 17.10.2023 & requested for full cooperation in facilitating a peaceful and orderly handover of the Project/Asset of the Company from the management of Roots Developers Private Limited. Accordingly, the IRP/ RP visited CHD Project in the name CHD Vann, located at Sector 71, Gurgaon-122001 Haryana on Tuesday, 17.10.2023 to take the possession of the Project- CHD Vann. However, IRP was declined to enter the premises of the project by the security personnel present at the project site.

As Roots Developers Private Limited has failed to hand over the project, CHD Vann, located at Sector 71, Gurgaon-122001 Haryana, therefore, the IRP/ RP has filed an application under Section 19 (2) of the Insolvency and Bankruptcy Code, 2016 on 07.11.2023, seeking direction against the Roots Developers Private Limited and others to handover possession of the project, CHD Vann, located at Sector 71, Gurgaon-122001 Haryana and in case Roots Developers Private Limited and others fail to handover, issue directions to the concerned Police Officer to assist the RP in taking over possession of the said projects.

The IRP met Mr. Gaurav Mittal, member of the Suspended Board of Directors of the Corporate Debtor and other employees of the Corporate Debtor. He also handed over a List of Documents seeking relevant information from the Suspended Board of Directors and requested them to provide the same at the earliest which is necessary for carrying out corporate insolvency resolution process of the corporate debtor. The suspended Board of Directors has provided some information, documents and records pertaining to the management and affairs of the corporate debtor.

The IRP also addressed all employees and other staffs and apprised them of CIRP against M/s CHD Developers Limited along with Order dated 05.09.2022 passed by the Hon'ble Adjudicating Authority (the Hon'ble National Company Law Tribunal, Principal Bench) in the matter of Mr. Rajeev Kumra and Ors. V/s CHD Developers Limited, CP (IB) No. 1081/PB/2020.

It is to be noted that Suspended Board of Directors were intimated regarding commencement of CIRP against Corporate Debtor and appointment of IRP via letter dated 16.09.2022 via email.

III. Current Activities of the Corporate Debtor

It is to be informed that Corporate Debtor is engaged in the business of construction and development of the residential projects in Haryana and Delhi NCR area and their allied activities as per information available on MCA. It may be noted that as per the information provided by the suspended Board of Directors, the corporate debtor has few halted/ incomplete projects namely, CHD Vann (Sector 71, Gurugram), CHD Golf Avenue (Sector 106, Gurugram), CHD Resortico (Sector 34, Sohna Road, Gurugram), CHD City Karnal (Sector 45, Karnal), etc.

Mr. Amandeep Singh Bajaj pointed that the Corporate Debtor has one more project in the name of CHD Green Park Residencies (Sector 45, Karnal) on which the charge has been created in favour of Yes Bank Limited which has been assigned to J.C. Flower Asset Reconstruction Company Limited. The IRP/RP stated that he will seek the relevant details from the suspended Board of Directors and shall take suitable actions accordingly.

IV. Current Status of the Projects

CHD City Karnal

It has come to the notice of the IRP/ RP that possession of the units in the project of the Corporate Debtor "CHD City Karnal" has already been handed over to the allottees. However, the registry of some of units/ plots is pending due to initiation of CIRP against the Corporate Debtor. Further, the bulk electricity meter installed at the said township is in the name of the CHD Developers Limited i.e. the Corporate Debtor.

The Members of the RWA of CHD City Karnal also visited the IRP at his office and apprised him about the problems faced by them viz. Electricity, Sanitation, Maintenance of Infrastructure facilities etc. The IRP had assured them to take corrective actions after assessing the complete details of the problems.

A notice was received from the office of Consumer Grievance Redressal Forum (CGRF) requesting in person visit of IRP/RP to discuss the matters pertaining to grievances of the allottees and the issues at the CHD City Karnal Project.

That the IRP/RP has received the letter dated 11.09.2023 from the Office of CGRF seeking his presence at Kurukshetra. The Chairman apprised the members of the CoC that the Hon`ble Punjab and Haryana High Court at Chandigarh had passed an order dated 17.08.2023 in CWP No. 17217 of 2023 in which it was mentioned that "**In view of the above, Impugned Order dated 28.07.2023 is set aside by directing the Forum to decide the dispute afresh by passing a reasoned order after issuing Notice and hearing all the concerned parties**". Thereafter, the IRP/RP was called upon in the office of CGRF to discuss the matter. IRP/RP appeared in the office of CGRF on 25.10.2023 wherein counsel appearing on behalf of IRP/RP informed the CGRF that the Corporate

Debtor is under CIRP & the moratorium is in place & therefore, no proceedings can be initiated against the corporate debtor.

Please note that though the electricity meter is in the name of the Corporate Debtor, however, the maintenance of the project “CHD City, Karnal” has been undertaken by CFM Facility Management Private Limited (CFM) under an agreement with the Corporate Debtor under which CFM was under an obligation for payment of Electricity Bill & other statutory dues after collecting the same from the Home Buyers of the CHD City, Karnal for maintenance of the said township.

It was informed to the IRP/RP that there are 359 residents (approx.) in CHD City, who have bypassed their prepaid meters/ not paying for their electricity and maintenance for the last many months. Further, the undersigned has been also informed that from the 7th day of January, 2023, the residents have willfully and illegally substituted the electricity meters with the original electricity meter that had been duly installed by CFM Facilities Private Limited on behalf of the Corporate Debtor. The undersigned has also written emails/letters to the residents of the “CHD City” requesting them to desist from the actions taken by them & re-install the electricity meters which were displaced by them. Further, these Home Buyers were also not contributing towards the electricity charges. Later on, it came to the attention of the IRP/ RP that an electricity bill, bearing the date 15.10.2023 and amounting to Rs. 63,25,771/- which has to be paid on or before 25.10.2023, has been received from the office of UHBVN pertaining to the month of September 2023. Kindly note that the responsibility for collecting electricity charges, as well as other related maintenance fees from the residents of "CHD City", is vested with CFM Facility Management Private Limited. Furthermore, it is their duty to subsequently deposit these collections with UHBVN and other relevant statutory authorities. The IRP/RP has received official communication from the management of CFM Facility Management Private Limited, wherein they conveyed their inability to make the payment for the electricity charges specific for the month of September 2023. Meanwhile, the IRP/RP received the detailed order dated 26.10.2023 from the office of DTCP, Chandigarh. Key observations of the order are as follows:

- a. CFM shall have no role in CHD City, Karnal;
- b. Accounts of CFM to be frozen;
- c. CFM has been directed to immediately handover the charge/ software system along with already collected funds for maintenance and electricity charges to RWA through DTP;
- d. DTP, Karnal is directed to immediately take over the charge of the office of CHD Facility Management (CFM) Pvt. Ltd. and hand over the same to RWA;
- e. Regarding electricity-related issues, RWA shall coordinate with concerned UHBVN officials for payment of electricity charges, and at no stage, non-payment of electricity charges shall be the responsibility of CFMS, once prepaid metering software is handed over to the legitimate RWA within 7 working days of these orders.

CHD Vann

The IRP visited the project site of the Corporate Debtor “CHD Vann” for taking over the possession of the same. However, he was denied entry by the Land Owner. The IRP also wrote a mail to the Land Owner regarding handing over the possession of the project site. But the same was denied by the Land Owner. The IRP once again visited the project site on 17.10.2023. But once again he was not allowed to have the handover and possession of the project.

CHD Golf Avenue

The IRP visited the project site of the Corporate Debtor “CHD Golf Avenue”. Further, the IRP had a detailed discussion with the president of the RWA and discussed about the future course of actions for the revival of the project.

CHD Resortico

The IRP visited the project site of the Corporate Debtor “CHD Resortico”. Further, the IRP had a detailed discussion with the president of the RWA and discussed about the future course of actions for the revival of the project.

CHD Green Park

That the project ‘Green Park’ was in possession and control of JC Flower Asset Reconstruction Ltd being one of the financial creditors of the Corporate Debtor, who have obtained the possession of the said project under “SARFASEI” and have appointed its security guards at the project site. The RP received an email dated 21.12.2023 from Mr. Raghav Sood, the official of JC Flowers Assets Reconstruction Ltd that they were removing security personnel from the project site w.e.f. 23.12.2023. He requested the RP to deploy his security personnel at the site. In turn the RP requested him to continue with security personnel appointed by them till 15.01.2024. Despite the request by the RP, the security personnel were removed by JC Flowers Asset Reconstruction Ltd on 23.12.2023 without giving a proper handover of the assets of the project to the RP. Subsequent to the meeting, it has been agreed between the RP and JC Flowers for handover of the project on Wednesday, 17.01.2024.

V. Current Status of trading of shares at Bombay Stock Exchange

The Chairman apprised the members of CoC that the shares of the Corporate Debtor has been listed on Bombay Stock Exchange. However, the trading of shares on the Exchange is suspended due to non-payment of fees and violations of listing regulations. IRP/RP is receiving emails from the Bombay Stock Exchange to ensure the pending & on-going compliances of the Corporate Debtor.

VI. Current Status of the Pending Legal Cases

The Chairman apprised the members of CoC that there are number of legal cases which are pending before various courts/tribunals/judicial/quasi-judicial bodies/ regulators to which the IRP is appearing through Advocates/Counsel/Authorised Representative.

VII. *Books of Accounts/ Assets of the corporate debtor*

The Corporate Debtor has provided Financial Statements for F.Y. 2019-20 & 2020-21, 2021-22, GST Registration Certificate. The Chairman may apprise the members that the corporate debtor could not convene and hold the Annual General Meeting of the shareholders on or before 30.09.2023 for the financial year 2022-23 due to delay in preparing books of account of the corporate debtor. According, an application under Section 96 of the Companies Act, 2013 had been filed with the Registrar of Companies, NCT of Delhi and the Registrar of Companies, NCT of Delhi has granted approval extending the period of convening and holding meeting of Annual General Meeting of the corporate debtor for a further period of three months.

VIII. *IRP instructions to the Bank*

It has come to knowledge of the IRP that the Corporate Debtor has bank accounts in Axis Bank, Bank of Baroda, Central Bank of India, HDFC Bank, IndusInd Bank, Kotak Mahindra Bank, Punjab National Bank, State Bank of India. The IRP has intimated to aforesaid Banks via letter dated on 30.05.2022 with regard to the operations of current accounts and financial instruments and not to honour any debit transactions without consent of the IRP.

It also came to the knowledge of the RP that the Bank Accounts of the Corporate Debtor were categorized as “Dormant”. The RP initiated the process to get these accounts in “Active” category.

The Members are requested to take note of the above.

IX. *Status of Appeal in Hon’ble NCLAT*

It was informed that the members of the suspended Board of Directors of the Corporate Debtor had filed Company Appeal (AT) (INS) No. 1168 of 2022, Company Appeal (AT) (INS) No. 1181 of 2022, Company Appeal (AT) (INS) No. 1301 of 2022 along with Yes Bank Appeal bearing No. Company Appeal (AT) (INS) No. 1360 of 2022 before the Hon’ble National Company Law Appellant Tribunal against the order dated 05.09.2022 passed by the Hon’ble National Company Law Tribunal and during the course of hearing held on 27.09.2022, the Hon’ble National Company Law Appellant Tribunal directed “not to proceed further” and accordingly in compliance of the aforesaid order dated 27.09.2022, the IRP only received the claims and appointed Advocate to represent the cases of the Corporate Debtor before Hon’ble NCLAT/ NCDRC, District Consumer Courts and all other district courts and forums and other Statutory Authorities.

That on the hearing dated 26.09.2023 before the Hon’ble NCLAT, wherein the Hon’ble NCLAT allowed the Appellant to withdraw the abovementioned Appeals and CIRP to continue, thereby the interim order was vacated vide the Order dated 26.09.2023 passed by the Hon’ble NCLAT.

X. Status of Application pending/filed before the Hon'ble NCLT

- i. That Roots Developers Private Limited & Others (land owners) has filed an Interlocutory Application No. 5624/2023 seeking segregation of project "CHD VANN" from the CIRP of the Corporate Debtor. The applicant Roots Developers & others has conveyed its intention to make a proposal for completion of the project CHD Vann outside the CIRP of the Corporate Debtor. Moreover, they have alleged that they have already terminated the Collaboration Agreement dated 30.12.2013 vide notices dated 24.10.2020 and 25.10.2020. The matter was listed on 08.11.2023 wherein the IRP/RP vehemently opposed the aforesaid application stating that it appears to be a conspiracy between the applicants & members of the suspended BODs to keep the asset of the Corporate Debtor out of the reach of the Creditors/ Stakeholders of the Corporate Debtor. Reply in the said matter has been filed by the RP. Please note that IRP/RP has engaged Mr. Neeraj Malhotra, Senior Advocate to present the case before the Hon'ble NCLT. Next date of hearing in the said application is 17.01.2024.
- ii. That Roots Developers Private Limited & Others (land owners) has filed another Interlocutory Application No. 5878/2023 seeking stay on the CIRP process &/or stay on the CIRP of the project CHD Vann. The matter was listed on 19.10.2023, 31.10.2023, 08.11.2023, 06.12.2023 and 12.12.2023 and the IRP/RP vehemently opposed the aforesaid application stating that it is a ploy to keep the asset of the Corporate Debtor out of the reach of the Creditors/ Stakeholders of the Corporate Debtor. The IRP/ RP has filed the reply to the said application. Please note that IRP/RP has engaged Mr. Neeraj Malhotra Senior Advocate to present the case before the Hon'ble NCLT. Next date of hearing in the said application is 17.01.2024.
- iii. RP has filed an application under Section 19(2) of the Code, seeking direction to the Roots Developers Private Limited & other to handover possession of the project CHD Vann which has been in illegal & unlawful possession of the Roots Developers Private Limited & Land Owners. Next date of hearing in the said application is 17.01.2024.
- iv. RP has also filed an application IA No. 5940/2023 under Section 60(5) of the Code, seeking exclusion of period of stay from the total period of the CIRP of the Corporate Debtor and the same has been allowed by the Hon'ble Adjudicating Authority vide Order dated 12.12.2023.
- v. RP has also filed an application IA No. 5981/2023 under Section 22(3)(a) of the Code, seeking approval of the appointment of IRP as RP in the CIRP of the Corporate Debtor and the same has been allowed by the Hon'ble Adjudicating Authority vide Order dated 12.12.2023.

XI. Collation of claims filed by the creditors

The IRP/ RP, after the Order dated 26.09.2023 passed by the Hon'ble NCLAT, is receiving and collating claims from the creditors of the corporate debtor, has prepared Report on List of Creditors in compliance of Regulation 13 (2) (d) of the Insolvency and

Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and Reports on Constitution of Committee of Creditors under Regulation 17 (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and the same was filed with the Hon'ble National Company Law Tribunal, New Delhi Bench, Principal Bench, Delhi on 07.10.2023.

That in terms of sub-section (6) or sub-section (6A) of section 21 or sub-section (5) of section 24 of the Insolvency and Bankruptcy Code, 2016, the Interim Resolution Professional in order to conduct the 1st meeting of the COC of the Corporate Debtor had proposed the name of Mr. Alok Chandra Singh, Insolvency Professional as the Authorized Representative of the Financial Creditor in a class i.e. Allottees in a real estate project and Mr. Deepak Kumar Agarwal, Insolvency Professional as the Authorized Representative of the Financial Creditor in a class i.e. Fixed Deposit Receipt Holders to represent their classes in meeting the COC of the Corporate Debtor, as per the choices made by the majority of the Financial Creditors in their respective classes. That an application for the approval of the appointment of the abovementioned Authorized Representative was also filed before the Hon'ble NCLT, which was allowed during the course of hearing held on 09.10.2023.

XII. ACTIONS TAKE ON OR AFTER 2ND COC AND UPTO THE DATE OF SIGNING THE AGENDA FOR 3RD COC MEETING

The RP apprise the members of the CoC on the following actions take up by him on & after the 2nd CoC:

a. Appointment of Company Secretary:

- i. **Current Status of Recruitment:** The Resolution Professional (RP) is actively engaged in the process of identifying and recruiting a suitable individual for the role of Company Secretary for the Corporate Debtor. This initiative is a critical step in ensuring the effective administration and governance of the company.
- ii. **Challenges Encountered:** The search for a qualified candidate is somewhat hampered by the ongoing Corporate Insolvency Resolution Process (CIRP). The uncertainty and complexity associated with the CIRP have resulted in a general reluctance among potential candidates who are considering job changes to commit to a position in a company that is currently navigating through CIRP. This has posed a significant challenge in attracting prospective candidates.
- iii. **Continued Efforts and Commitment:** Despite these challenges, the RP remains committed to the search for an appropriate candidate. The RP is employing all possible strategies and resources to identify individuals with the right qualifications and interest in taking up this crucial role. The focus is on finding a

candidate who not only possesses the necessary skills and experience but is also willing to engage with the company during this critical phase.

- iv. **Presentation to the Committee of Creditors (CoC):** Once a suitable candidate is identified, the RP will present the individual's credentials and proposed appointment to the Committee of Creditors (CoC) for approval. This step is essential to ensure transparency and consensus in the appointment process, aligning with the broader objectives of the CIRP and the interests of all stakeholders.
- v. **Future Updates and Progress Reports:** The RP will continue to provide regular updates on the progress of this initiative, ensuring that all concerned parties are informed of the developments and any potential candidates identified. The goal is to facilitate a smooth and effective appointment process, culminating in the successful onboarding of a new Company Secretary.

The members took note of the above.

b. Recovery of money from the Allotees of the Flats/Plots of the Completed Projects:

- i. **Actions Taken by the Resolution Professional (RP):** The RP has proactively issued demand notices to the homebuyers/ allottees who have entered into Builder Buyer Agreements with the Corporate Debtor. These notices have been sent specifically to those allottees of flats and plots in the completed projects who have not yet fulfilled their financial obligations as per the agreed terms.
- ii. **Scope of the Notices:** The focus of these notices is on the allottees who have failed to make complete payment for the units or plots allotted to them. This step is in accordance with the terms outlined in the Builder Buyer Agreements they have signed, and it's a measure to enforce compliance with these agreements.
- iii. **Awaiting Responses and Planning Next Steps:** The RP is currently in the phase of waiting for responses to these notices. The future course of action, which could include legal or other recovery processes, will be determined based on the replies received from these homebuyers. The RP is prepared to initiate subsequent steps, should they be necessary, based on the nature of the responses.
- iv. **Importance of Asset Monetization:** The RP has underscored the critical role that these assets – flats and plots – play in the revenue generation for the Corporate Debtor. Recovering dues from these assets is not only about enforcing contractual agreements but also about unlocking significant financial resources that are currently untapped.
- v. **Revenue Generation and Financial Impact:** The collection of outstanding payments from these allottees is a key strategy in generating revenue for the

Corporate Debtor. In scenarios where payments are not made, the possibility of selling these assets opens up, providing an opportunity to inject much-needed funds into the company's accounts. This approach is crucial for the financial revitalization of the Corporate Debtor during its ongoing resolution process.

- vi. **Strategic Importance in the Corporate Debtor's Recovery**: These actions are integral to the overall strategy for the recovery and financial stability of the Corporate Debtor. The successful monetization of these assets through either collection of dues or sale could significantly contribute to the financial health and future prospects of the company.

The members took note of the above.

c. **Execution/ Registration of the Sale Deeds with respect to the Plot/Flats in the projects of the Corporate Debtor**

- i. **Initiative by the Committee of Creditors (CoC)**: A decisive action was taken by the CoC regarding the registration of sale deeds for the home buyers and plot buyers. This action pertains to those individuals who have purchased plots or flats in the projects of the Corporate Debtor but have not had these assets registered in their names due to the initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor.
- ii. **Engagement with Local Authorities**: In alignment with this decision, a formal representation was made to various key local authorities in Karnal. These include the office of the Deputy Commissioner (DC-Karnal), the Revenue Department of Karnal, the Tehsildar of Karnal, and the Department of Town and Country Planning (DTCP-Karnal). The purpose of this representation was to facilitate the process of registering the sale deeds, which is a crucial step for the legal ownership transfer to the home buyers and plot buyers.
- iii. **Current Status with the Revenue Department**: The Revenue Department, a critical stakeholder in this process, is currently reviewing the matter. They are seeking legal opinions internally to understand the implications and the best course of action in light of the ongoing CIRP against the Corporate Debtor. This step is necessary to ensure that all legal protocols are adhered to and that the registration process aligns with the prevailing laws and regulations.
- iv. **Anticipated Feedback and Next Steps**: The Revenue Department is expected to communicate back to the RP, especially if there are any issues or concerns that arise from their internal review. The RP is prepared to address any queries or provide additional information as needed to facilitate this process.
- v. **Importance of Registration for Home/Plot Buyers**: This agenda item underscores the significance of the sale deed registration for the home and plot

buyers. Registration is a vital step in legally recognizing their ownership, providing them with security and rights over the purchased property. It is also a key element in ensuring that the rights of these buyers are protected during the CIRP.

- vi. **Overall Impact on the CIRP:** The successful registration of these sale deeds has broader implications for the CIRP. It not only aids in resolving specific concerns of the home and plot buyers but also contributes to the orderly and efficient progression of the CIRP, ensuring that the rights and interests of all stakeholders are appropriately addressed.

The members took note of the above.

d. Interim Finance:

- i. **Current Financial Challenges:** The Resolution Professional (RP), as informed in the last Committee of Creditors (CoC) meeting, highlighted the significant difficulties being faced in managing the affairs of the Corporate Debtor. A primary challenge is the lack of sufficient funds in the Corporate Debtor's account, which is critically hindering the ongoing Corporate Insolvency Resolution Process (CIRP).
- ii. **Impact on Employee Salaries:** The financial constraints have directly impacted the workforce of the Corporate Debtor. Currently, there are nine employees across various departments and roles within the organization. Due to the fund shortage, these employees have not received their salaries for the past few months. This situation not only affects the morale of the workforce but also raises concerns about their financial well-being and the company's ability to retain essential staff during the CIRP.
- iii. **Exploration of Interim Finance Options:** In response to this financial crunch, the IRP/RP has been actively exploring opportunities to raise interim finance. This interim finance is essential to meet the immediate costs associated with the CIRP and to manage the operational expenses, including employee salaries.
- iv. **Challenges with High-Interest Rates on Interim Finance:** The process of securing interim finance is being complicated by the high-interest rates associated with such loans. These rates pose a concern as they could further strain the financial stability of the Corporate Debtor in the long term.
- v. **Efforts to Utilize Internal Accruals:** Given the challenges with securing interim finance, the RP is focusing on generating funds through internal accruals. A significant part of this strategy involves the recovery of dues from home buyers of completed projects who have not yet made full payments as per their Builder

Buyer Agreements. This approach is seen as a more sustainable way to raise funds without incurring the additional financial burden of high-interest loans.

- vi. **Prioritizing and Balancing Financial Needs**: The RP is committed to balancing the immediate financial needs with the long-term financial health of the Corporate Debtor. The priority is to ensure that sufficient funds are available for the smooth progression of the CIRP, while also maintaining the operational integrity of the company, particularly in terms of fulfilling obligations to employees and other critical stakeholders.
- vii. **Future Updates and Plans**: The RP will continue to update the CoC on the progress of these efforts and any significant developments in the quest to secure the necessary funds. The aim is to establish a transparent and effective financial strategy that supports the CIRP and positions the Corporate Debtor for a sustainable future.

The members took note of the above.

e. Current status of pending legal cases:

- i. **CHD Vann**: The legal proceedings in the CHD Vann matter have reached a significant milestone. All pleadings, which are the formal written statements by the parties of their respective claims and defences, have been completed. The case has been scheduled for final arguments on January 17, 2024;
- ii. **RERA-Haryana**: The Complainant in the e-way tower project has withdrawn its complaint & therefore the matter has come to an end in which the Corporate Debtor was one of the Respondent parties;
- iii. **NCDRC**: The Council on behalf of RP representing Corporate Debtor is engaged in various pending matters before the CGRF.

The members took note of the above.

ITEM NO. 6

TO CONSIDER AND TAKE NOTE ON CLAIMS RECEIVED AND ADMITTED

The RP apprised the CoC Members that the as per provisions of Section 18(1)(b) of the IBC, 2016, it is the duty of the Resolution Professional to receive and collate all claims submitted by the creditors to him pursuant to the Public Announcement made under Sections 13 and 15 of the IBC, 2016.

As per regulation 13(2) (d), the RP has to maintain a list of creditors containing name of the creditor, amount claimed, amount admitted and the same has to be filed with the Hon'ble NCLT.

It was informed that total 1439 Claims have been accepted from the Financial Creditor in a class i.e. Allottees in real estate projects, 221 Claims have been accepted from the Financial Creditor in a class i.e. Fixed Deposit Receipt Holder, 5 Claims have been accepted from Financial Creditors, 32 Claims have been accepted from Operational Creditor and 30 Claims have been accepted from employees/workmen till 03.01.2024 and the same have been verified based on the documents provided by them.

Further, it is pertinent to note that the Report consisting of Revised List of Creditors for CHD Developers Limited has been filed with the National Company Law Tribunal, New Delhi on 06.01.2024.

The members took note of the above.

ITEM NO. 7

TO TAKE NOTE OF THE COMMITTEE OF CREDITORS (COC) RE-CONSTITUTED BY THE RP:

The RP apprised the CoC Members that as per the provisions of Section 18(1)(c) of the IBC, 2016, it is the duty of the Resolution Professional to constitute a Committee of Creditors (COC). The committee of creditors shall comprise all financial creditors including creditors in a class through an Authorized Representative of the corporate debtor, provided that a related party to whom a corporate debtor owes a financial debt shall not have any right of representation, participation or voting in a meeting of the committee of creditors.

As stated above 1439 Claims have been admitted from the Financial Creditor in a class i.e. Allottees in a real estate project, 221 Claims have been accepted from the Financial Creditor in a class i.e. Fixed Deposit Receipt Holder, 5 Claims have been admitted from Financial Creditors.

Further, it is pertinent to note that the Report consisting of Re-constitution of the Committee of Creditors for CHD Developers Limited has been filed on 06.01.2024 with the National Company Law Tribunal, Principal Bench at New Delhi.

The members took note of the above.

VOTING ITEMS

The Resolution Professional, after thorough discussions on items 1 to 7 of the agenda, proceeded to discuss the interlinked voting items 8, 9, and 10. Mr. Alok Chandra Singh, the Authorized Representative of Home Buyers, informed the Committee of Creditors (CoC) that he has received numerous emails from the homebuyers requesting to defer agenda items 8, 9, and 10 upto the date of next CoC or the final adjudication of the Applications filed by Roots Developers Private Limited seeking segregation of Project CHD Vann, whichever is later. He elaborated that the predominant reason for this request from the homebuyers is the pending application before the Honourable National Company Law Tribunal, New Delhi, filed by Roots Developers against the Corporate Debtor. The Authorized Representative also submitted an email received from one of the homebuyers, requesting it to be placed on record wphich reads as under.

“This is in reference to the notice of 3rd CoC and the agenda items to be discussed in the CoC meeting. I would request to differ the agenda items 08, 09 and 10 of the agenda for the reasons stated herein below:

- i. Roots Developers (land owners) of the project "CHD VANN" had filed an Interlocutory Application No. 5624/2023 seeking segregation of project "CHD VANN" from the CIRP of the Corporate Debtor;*
- ii. It has been brought to my knowledge that the promoters of Roots Developers have conveyed their intention to make a proposal for completion of the project CHD Vann outside the CIRP of the Corporate Debtor before the NCLT;*
- iii. In case the segregation of project is considered, I would like to understand that how the assets of liabilities of the Project CHD VANN would be segregated with the assets & liabilities of the Corporate Debtor as whole;*

Since, the matter is sub judice before the Hon`ble National Company Law Tribunal on the subject of segregation of Project, I would request to differ the item no 08, 09 and 10 to the next CoC meeting or upto the final adjudication by Hon`ble NCLT whichever is later.”

Subsequently, the Resolution Professional (RP) initiated a preliminary discussion regarding the deferment of agenda items 8, 9, and 10 seeking opinions from the remaining members of the Committee of Creditors (CoC). The members present concurred on deferring these agenda items and decided to put up these agenda for e-voting.

ITEM NO. 8

TO DISCUSS AND APPROVETHE ELIGIBILITY CRITERIA OF THE PROSPECTIVE RESOLUTION APPLICANTS

As stated above, the CoC Members requested for e-voting seeking approval of the members of the CoC for deferment of this agenda item. Accordingly, the Resolution Professional (RP) scheduled this agenda item for deferment in the e-voting process.

“RESOLVED THAT pursuant Section 25(2)(h) and other provisions of the Insolvency and Bankruptcy Code, 2016 and Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other applicable provisions, if any, consent of the Committee of Creditors be and is hereby accorded to approve draft of Detailed EOI containing Eligibility Criteria as placed before the committee of creditors.

“RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorised to issue the Detailed EOI containing Eligibility Criteria as and when requested by the eligible prospective Resolution Applicants as per provisions of the Code.”

ITEM NO. 9

TO DISCUSS AND APPROVE EVALUATION MATRIX AND REQUEST FOR RESOLUTION PLAN

As stated above, the CoC Members requested for e-voting seeking approval of the members of the CoC for deferment of this agenda item. Accordingly, the Resolution Professional (RP) scheduled this agenda item for deferment in the e-voting process.

“RESOLVED THAT pursuant to provisions of the Insolvency and Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other applicable provisions, if any, the draft of “Request for Resolution Plan” (RFRP) along with Evaluation Matrix as placed before the CoC be and is hereby approved”.

“RESOLVED FURTHER THAT Resolution Professional be and is hereby authorised to issue the “Request for Resolution Plan” (RFRP) along with Evaluation Matrix to the prospective Resolution Applicants as per provisions of the Code and regulations framed thereunder.”

ITEM NO. 10

TO DISCUSS AND APPROVE PUBLICATION OF INVITATION OF EXPRESSION OF INTEREST IN PRESCRIBED FORM G

As stated above, the CoC Members requested for e-voting seeking approval of the members of the CoC for deferment of this agenda item. Accordingly, the Resolution Professional (RP) scheduled this agenda item for deferment in the e-voting process.

“RESOLVED THAT pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other applicable provisions, if any, the draft of Expression of Interest in prescribed Form G with timeline as placed before the Committee of Creditors be and is hereby approved.

RESOLVED FURTHER THAT the consent of the Committee of Creditors be and is hereby accorded to publish Expression of Interest in prescribed Form G in Newspapers namely Financial Express (English) and Jansatta (Hindi) all India edition.

“RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorised to take such steps as may be necessary and incidental for the publication of Expression of Interest including finalization of advertisement agency for making publication of Form-G in newspapers and to make payment of the costs of the said publication, which shall form part of corporate insolvency resolution process costs.”

ITEM NO. 11

ANY OTHER ITEM(S) WITH THE PERMISSION OF THE CHAIR

There was no other agenda item.

VOTE OF THANKS

The meeting ended with a vote of thanks to the Chair.

(Chairman)